

**DEPARTMENT OF SOCIAL AND HEALTH SERVICES
HEALTH AND RECOVERY SERVICES ADMINISTRATION
Olympia, Washington**

To: Outpatient Hospitals
Managed Care Organizations

Memorandum No: 07-44

Issued: June 28, 2007

From: Douglas Porter, Assistant Secretary
Health and Recovery Services
Administration (HRSA)

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800.562.3022 (option 2) or go to:

<http://maa.dshs.wa.gov/contact/prucontact.asp>

Subject: Outpatient Hospitals: Program and Fee Schedule Updates

Effective for dates of service on and after July 1, 2007, the Health and Recovery Services Administration (HRSA) will:

- Update the Outpatient Hospital fee schedule using the Medicare Physician Fee Schedule Data Base (MPFSDB) Year 2007 relative value units (RVUs) and policy changes;
- Update Sleep Center of Excellence provider list;
- Update Revenue Code Table; and
- Update Dental Policy.

Fee Schedules

Visit HRSA's web site at <http://maa.dshs.wa.gov/RBRVS/Index.html> to view the new fee schedule, effective July 1, 2007.

Bill HRSA your usual and customary charge.

Policy Updates:

All procedures performed in an outpatient hospital are subject to the parent program guidelines.

For example: Surgeries and therapies are subject to the Physician-Related Services Washington Administrative Code (WAC) and billing instructions; dental procedures are subject to the Dental-Related Services WAC and billing instructions.

Effective for dates of service on and after July 1, 2007, HRSA will add coverage for the following procedure codes:

Auth?	Procedure Code	Coverage Indicator	Auth?	Procedure Code	Coverage Indicator
L	90649	B	PA	D7410	1
L	90710	1	PA	D7471	1
L	90723	1	PA	D7472	1
	C2638	A	PA	D7473	1
	C2639	A	PA	D7485	1
	C2640	A	L	D7510	1
	C2641	A	L	D7520	1
	C2642	A	PA	D7530	1
	C2643	A	PA	D7960	1
	C2698	A	PA	D7963	1
	C2699	A	PA	D7972	1
	C9728	A	PA	L8619	1
L	D0220	1		Q4087	1
L	D0230	1		Q4088	1
L	D0273	1		Q4089	1
L	D2932	1		Q4090	1
L	D2934	1		Q4091	1
PA	D4211	1		Q4092	1
PA	D5130	1		Q4095	1
PA	D5140	1	PA	0051T	1
L	D7310	1	PA	0053T	1
L	D7311	1			
PA	D7320	1			

Legend

- A = Covered, ambulatory payment classification (APC)-paid hospitals (OPPS) only.
- B = Covered, non-OPPS and critical access hospitals (CAH) only.
- L = The use of this procedure code may have certain limitations or restrictions (e.g., ages, authorization requirements, diagnosis, or facilities). Please see the program specific publications for details prior to providing this service.
- 1 = Covered, all hospitals paid in accordance with each hospital's specific methodology.
- PA = Prior Authorization.

Deleted Codes

Effective for dates of service on or after July 2007, in accordance with CPT, HRSA is deleting the following procedure codes:

0024T	C1718	C2633
0133T	C1720	D1205

Authorization Changes

Effective for dates of service on or after July 1, 2007, HRSA no longer requires authorization for the following procedure codes: 64585, 66930, 96101, and Q9957.

Note: Limited to two units per lifetime. If additional testing is necessary, psychologists **must** request additional units of CPT code 96101 through the PA process. Refer to HRSA's [Psychologist Billing Instructions](#) for more information.

Effective for dates of service on and after July 1, 2007, HRSA *requires* authorization for the following procedures codes when billed on a hospital claim (UB-04):

Type of Prior Authorization Required	Procedure Code	Brief Description
PA	D2710	Crown resin-based indirect
PA	D3430	Retrograde filling
PA	D4210	Gingivectomy or Gingivoplasty/per quad
PA	D5130	Dentures immediate maxillary
PA	D5140	Dentures immediate mandible
PA	D7241	Impact tooth rem bony w/comp
PA	G0166	Extrnl counter pulse, per tx
PA	L8614	Cochlear device/system
PA	Q4079	Natalizumab injection
PA	19296	Place po breast cath for rad
PA	19297	Place breast cath for rad
PA	19298	Place breast rad tube/caths
*L	19328	Removal of breast implant
*L	19330	Removal of implant material
PA	21031	Remove exostosis, mandible
PA	21032	Remove exostosis, maxilla
PA	21045	Extensive jaw surgery
PA	21050	Removal of jaw joint
PA	21060	Remove jaw joint cartilage
PA	21070	Remove coronoid process
PA	21076	Repair face/oral prosthesis

Type of Prior Authorization Required	Procedure Code	Brief Description
PA	21077	Repair face/oral prosthesis
PA	21081	Repair face/oral prosthesis
PA	21121	Reconstruction of chin
PA	21122	Reconstruction of chin
PA	21125	Augmentation of lower jaw bone
PA	21141	Reconstruct midface, lefort
PA	21142	Reconstruct midface, lefort
PA	21143	Reconstruct midface, lefort
PA	21145	Reconstruct midface, lefort
PA	21146	Reconstruct midface, lefort
PA	21147	Reconstruct midface, lefort
PA	21150	Reconstruct midface, lefort
PA	21151	Reconstruct midface, lefort
PA	21154	Reconstruct midface, lefort
PA	21155	Reconstruct midface, lefort
PA	21159	Reconstruct midface, lefort
PA	21160	Reconstruct midface, lefort
PA	21193	Reconstruct lwr jaw w/o graft
PA	21194	Reconstruct lwr jaw w/ graft
PA	21206	Reconstruct upper jaw bone
PA	21208	Augmentation of facial bones
PA	21209	Reduction of facial bones
PA	21210	Facial bone graft
PA	21215	Lower jaw bone graft
PA	21230	Rib cartilage graft
PA	21240	Reconstruction of jaw joint
PA	21242	Reconstruction of jaw joint
PA	21243	Reconstruction of jaw joint
PA	21244	Reconstruction of lower jaw
PA	21245	Reconstruction of jaw
PA	21246	Reconstruction of jaw
PA	21247	Reconstruction of lower jaw bone
PA	21255	Reconstruct lower jaw bone
PA	21295	Revision of jaw muscle/ bone
PA	21296	Revision of jaw muscle/ bone
PA	27412	Autochondrocyte implant knee
PA	27415	Osteochondral knee allograft
PA	29800	Jaw arthroscopy/surgery
PA	29804	Jaw arthroscopy/surgery
PA	31825	Repair of windpipe defect
PA	31830	Revise windpipe scar

Type of Prior Authorization Required	Procedure Code	Brief Description
PA	40720	Repair cleft lip/nasal
PA	40806	Incision of lip fold
PA	41899	Unlisted
PA	42226	Lengthening of palate
PA	42227	Lengthening of palate
PA	64600	Injection treatment of nerve
PA	67900	Repair brow defect
PA	67950	Revision of eye lid
PA	69310	Rebuild Outer ear canal
PA	69320	Rebuild Outer ear canal
PA	77058	Mri, one breast
PA	77059	Mri, both breasts
PA	88384	Eval molecular probes, 11-50
PA	88385	Eval molecular probes, 51-250
PA	88386	Eval molecular probes, 251-500
**EPA	96118	Neuropsych tst by psych/phys
**EPA	96119	Neuro Psych testing by tech
EPA	99183	Hyperbaric Oxygen Therapy

Legend

- ** = See HRSA's [Physician-Related Services Billing Instructions](#) for EPA criteria.
- *L = The use of this procedure code may have certain limitations or restrictions (e.g., ages, authorization requirements, diagnosis, or facilities). Please see the program specific publications for details prior to providing this service.
- PA = Prior Authorization.

Coverage Changes

Effective for dates of service on and after July 1, 2007, HRSA does not cover the following procedures codes when billed on a hospital claim:

Procedure Codes		
90725	D5120	D5899
D0160	D5211	D5932
D0170	D5212	D5933
D0210	D5213	D5952
D0240	D5214	D6930
D0321	D5225	D7285
D0340	D5226	D7880
D0460	D5410	D8010
D0470	D5411	D8020
D1330	D5421	D8030
D2740	D5422	D8060
D2750	D5510	D8070
D2751	D5520	D8080
D2752	D5610	D8660
D2910	D5620	D8680
D2920	D5630	D8690
D2950	D5640	D9110
D3320	D5650	D9220
D3330	D5660	D9230
D3346	D5710	D9241
D3347	D5711	D9248
D3348	D5720	D9310
D3351	D5721	D9610
D3352	D5750	D9630
D3410	D5751	D9920
D3421	D5760	D9951
D3425	D5761	D9999
D3426	D5850	J1567
D3950	D5851	
D5110	D5860	

Dental Policy Highlights and Payment Changes

Effective July 1, 2007, HRSA has updated the dental program. All dental services provided by a hospital must be provided in accordance with Chapter 388-535 and 388-550 WAC and listed as a covered service in HRSA's *Dental Program for Clients Age 21 and Older Billing Instructions* or *Dental Program for Clients Through Age 20 Billing Instructions*.

HRSA covers **dental clinic** services provided by a hospital only when the services are billed on the American Dental Association (ADA) or 1500 Claim Form.

HRSA covers dental-related services, including oral and maxillofacial surgeries, that are **provided in the hospital's operating room**, only when:

- The covered dental-related services are billed on a UB-04 claim form; and
- At least one of the following is true:
 - ✓ The dental-related service(s) is provided to an eligible medical assistance client on an emergency basis;
 - ✓ The client is eligible under the Division of Developmental Disabilities;
 - ✓ The client is age eight or younger; or
 - ✓ The dental service is prior authorized by HRSA.

HRSA requires an outpatient hospital provider to report dental services, including oral and maxillofacial surgeries, using Current Dental Terminology (CDT) codes. **Exception:** Oral surgeons may use CPT codes only when the performed procedure is not listed in HRSA's published dental services billing instructions as a CDT code.

Effective July 1, 2007, HRSA does not allow providers to bill the following procedure codes for the same client on the same date of service:

Procedure One	Procedure Two	Procedure Three
21031	D7473	
21032	D7472	
40804	D7530	
40806	40819	D7960
41520	D7963	
41820	D4210	D4211
41822	D7972	
41823	D7485	
41830	D7310	D7311/D7320
41872	D4210	D4211
41874	D7310	D7311/D7320

Injectable Drug Updates

HRSA updates the maximum allowable fees for injectable drugs on a quarterly basis. Current and past fee schedules are posted on HRSA's website at <http://maa.dshs.wa.gov/RBRVS/index.html>. All fees have been updated at 106% of the average sales price (ASP) as defined by Medicare. If a Medicare fee is unavailable for a particular drug, HRSA prices the drug at 86% of the Average Wholesale Price (AWP).

Modifiers

HRSA follows the Correct Coding Initiative guidelines with regards to the use of modifiers. Currently (July 2007), the following modifiers, as defined by CPT, are the only modifiers approved for outpatient use:

25	78	F3	GH	T3
27	79	F4	LC	T4
50	91	F5	LD	T5
52	CA	F6	LT	T6
58	E1	F7	QM	T7
59	E2	F8	QN	T8
73	E3	F9	RC	T9
74	E4	FA	RT	TA
76	F1	GA	T1	
77	F2	GG	T2	

Note: The inappropriate use of modifiers may result in claim line denials.

Revenue Code Table Update

HRSA has updated the revenue code table to match the descriptions in the UB-04 manual.

HRSA has updated the revenue code table as follows:

Revenue Code	“OP” previous	“OP” now
0512	L/O	N

Sleep Studies

HRSA has added the following Sleep Centers to HRSA’s Sleep Centers of Excellence list:

Name	Location	Effective Date
Peace Health –St. John’s Medical Center	Longview, WA	12/6/06
Public Hospital District No. 2 of Snohomish Co. Stevens Sleep Center	Edmonds, WA	2/12/07

Effective July 1, 2007, HRSA has deleted the following Sleep Center from the HRSA Sleep Center of Excellence list:

Name	Location
Clallam County Public Hospital Dist #1	Forks Community Hospital, Forks, WA
Sleep Center at Memorial	Yakima Valley Memorial Hospital, Yakima, WA.

New Billing Instructions

HRSA is in the process of developing new *Outpatient Hospital Services Billing Instructions*. See “How can I get HRSA’s provider documents?” for information on obtaining these new billing instructions.

How do I conduct business electronically with HRSA?

You may conduct business electronically with HRSA by accessing the WAMedWeb at <http://wamedweb.acs-inc.com>.

How can I get HRSA's provider documents?

To obtain DSHS/HRSA provider numbered memoranda and billing instruction, go to the DSHS/HRSA website at <http://hrsa.dshs.wa.gov> (click *the Billing Instructions and Numbered Memorandum* link). These may be downloaded and printed.